

Message Text

CONFIDENTIAL

PAGE 01 PORT O 02414 182005Z
ACTION ARA-14

INFO OCT-01 ISO-00 SS-15 SP-02 EB-08 L-03 PRS-01
INR-07 IO-13 SSO-00 INRE-00 /064 W
-----088127 182020Z /61
O 181930Z AUG 77
FM AMEMBASSY PORT OF SPAIN
TO SECSTATE WASHDC IMMEDIATE 1136

C O N F I D E N T I A L PORT OF SPAIN 2414

STADIS//////////

E.O. 11652: GDS
TAGS: EFIN, PFOR, TD
SUBJECT: GOTT APPLICATION FOR EXIM BANK FINANCING OF
IRON AND STEEL MILL

REF: PORT OF SPAIN 2337

1. I UNDERSTAND THROUGH BANKING SOURCES THAT EXIM BANK BOARD IS EXPECTED TO CONSIDER GOTT APPLICATION FOR FINANCING OF IRON AND STEEL MILL ON AUGUST 19.

2. WE HAVE RECENTLY HAD A SERIES OF VISITS (SECRETARY VANCE, AMBASSADOR YOUNG, AND BILATERAL ECONOMIC TEAM) HERE TO UNDERSCORE CATER ADMINISTRATION'S DESIRE FOR CLOSER TIES WITH THE DEMOCRATIC COUNTRIES OF THE CARIBBEAN REGION. I CANNOT STRESS STRONGLY ENOUGH DAMAGE TO OUR CREDIBILITY THAT WOULD ENSUE IF EXIM BANK DENIES APPLICATION ON A PROJECT TO WHICH GOTT IS HEAVILY COMMITTED, BOTH IN TERMS OF FINANCIAL INVESTMENT ALREADY MADE AND IN TERMS OF ITS OWN DEVELOPMENT PRIORITIES. I AM CERTAIN THAT ERIC WILLIAMS VIEWS THIS APPLICATION AS A TEST OF OUR

SERIOUSNESS IN MAKING GOOD ON THE EXPECTATIONS WE HAVE RAISED.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PORT O 02414 182005Z

3. I FULLY APPRECIATE THE DOMESTIC DIFFICULTIES WHICH FINANCING THE IRON AND STEEL MILL POSES FOR THE EXIM BANK. NEVERTHELESS, STEEL MILL WILL BE BUILT IN ANY CASE, AND FAILURE OF EXIM BANK TO FINANCE IT WOULD HAVE NO EFFECT ON THE IMPORT PICTURE FOR THE UNITED STATES. CHIEF LOSERS, ASIDE FROM GOTT, WOULD BE US EXPORTERS WHO HAD HOPED TO

SUPPLY THE EQUIPMENT FOR THE MILL.

4. I URGE FULL CONSIDERATION OF THESE ASPECTS OF THE PROBLEM WHEN THE EXIM BANK REVIEWS THE LOAN APPLICATION. IF APPROVAL OF FULL FINANCING IS NOT FEASIBLE, I WOULD LIKE DEPARTMENT TO EXPLORE WITH EXIM BANK POSSIBLE ALTERNATIVES WHICH WOULD SOFTEN THE IMPACT HERE--E.G., POSSIBLE FINANCING OF U.S.-SUPPLIED COMPONENTS OF MILL AT LESS THAN \$60 MILLION, JOINT FINANCING WITH U.S. BANKS, OR LOAN GUARANTEE. IN ANY EVENT, I HOPE EXIM COULD BE PERSUADED TO DEFER ACTION ON LOAN UNTIL THESE QUESTIONS COULD BE FULLY EXPLORED.
FOX

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEVELOPMENT LOANS, STEEL PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Aug-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PORTO02414
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770298-1216
Format: TEL
From: PORT OF SPAIN
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770848/aaaaboqv.tel
Line Count: 75
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0f058b58-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: STADIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: STADIS
Reference: 77 PORT OF SPAIN 2337
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 31-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1561278
Secure: OPEN
Status: NATIVE
Subject: GOTT APPLICATION FOR EXIM BANK FINANCING OF IRON AND STEEL MILL
TAGS: EFIN, PFOR, EMIN, TD, XMB
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/0f058b58-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009